

ISSUE DATE: August 21, 1995

DOCKET NO. P-427, 520, 407, 426, 421, 430, 405/CP-93-160

ORDER CERTIFYING POLLING RESULTS AND DIRECTING INSTALLATION OF EAS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm  
Tom Burton  
Joel Jacobs  
Marshall Johnson  
Dee Knaak

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of the Petition for Extended Area  
Service From the Big Lake Exchange to the  
Minneapolis/St. Paul Metropolitan Calling  
Area

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**PROCEDURAL HISTORY**

On September 2, 1994, the Commission issued its ORDER ADOPTING RATES FOR POLLING in this matter. The Big Lake exchange is served by Sherburne County Rural Telephone Company (SCRTC).

On September 23, 1994, SCRTC filed a request for reconsideration with the Commission. SCRTC requested the Commission to revise its decisions in the September 2, 1994 Order with respect to the following three items:

1. the routing of the EAS traffic,
2. the Big Lake subscriber line count used to calculate the EAS rates, and
3. the GTE and United revenue requirements.

On February 15, 1995, the Commission issued its ORDER DENYING RECONSIDERATION. In that Order, the Commission denied several of SCRTC's requests for consideration but granted its request that the subscriber line count be adjusted to consider seasonal subscribers. In addition, the Commission directed that the subscriber line count be adjusted to take into consideration the elimination of FX and WATS to Metro lines upon the adoption of Big Lake to Metro EAS. The resulting rates adopted for polling subscribers in the Big Lake exchange were:

<u>Residence</u>	<u>Business</u>
\$37.53	\$65.89

Between June 2 and July 17, 1995, customers in the Big Lake exchange were polled.

On August 15, 1995, the Commission met to consider this matter.

## **FINDINGS AND CONCLUSIONS**

### **A. Certification of Polling Results**

The results of the polling shows that a majority of voting subscribers in the Big Lake exchange voted in favor of EAS. The specific results were as follows:

<u>Percent Voting</u>	<u>YES Votes</u>	<u>NO Votes</u>
72.5 percent	1,922	1 ,253

The one-party residential rate for full EAS with the Minneapolis/St. Paul metropolitan calling area (MCA) will be \$37.53.

### **B. Order for Installation**

The third and final statutory criterion for EAS is that a majority of customers responding to a poll in the petitioning exchange favor its installation. Minn. Stat. § 237.161, subd. 1 (a) (2) (1994).

Because a majority of Big Lake customers returning their ballots voted in favor of EAS, the third and final criterion is met for this petition. Accordingly, the Commission will require SCRTC (which serves the Big Lake exchange) to implement EAS between the Big Lake and MCA within 12 months of the date of this Order.

The Commission notes that the rates adopted for Big Lake subscribers include allocation of 100 percent of the costs of the EAS to Big Lake subscribers. Therefore, implementation of EAS to the MCA will occur with no increase to rates for existing MCA subscribers.

To expedite and coordinate the implementation process, the Commission will order SCRTC to 1) coordinate implementation of Big Lake's EAS, 2) file a schedule of the planned implementation within 60 days of this Order, and 3) update that schedule every 90 days.

### **C. Authorization of Non-Recurring Charges**

If SCRTC wants to request recovery of non-recurring expenses caused by implementation of EAS, the Company should submit a proposal for that at least 120 days before the planned implementation of EAS. The Minnesota Department of Public Service (the Department) will have 30 days to comment on the proposed non-recurring charge.

## **ORDER**

1. The Big Lake petition is approved. Service shall begin no later than 12 months following the date of this Order.
2. Within 60 days of this Order, Sherburne County Rural Telephone Company (SCRTC) shall file an implementation schedule and shall update that implementation schedule every 90 days.
3. If recovery of non-recurring costs is sought, SCRTC must file a request therefor at least 120 days before the planned implementation date. The Minnesota Department of Public Service (the Department) shall have 30 days to comment on any proposed charge.
4. Within 10 days of the date of the Order, SCRTC shall file the first of two proposed customer notices for approval by Commission Staff. The notice shall list the results of the polling. After approval, the Company shall serve the notice in the first possible billing cycle in the Big Lake exchange. The notice shall include the polling results, the EAS rate additives, and the proposed implementation date.
5. SCRTC shall notify its customers of the start date of the EAS by means of a second bill insert. The notification shall
  - describe the service, instruct customers on dialing, list the additional rates to be paid and the date of implementation; and
  - include information on the lower-priced alternative and clear instructions as to how the customer may subscribe to the lower-priced alternative including any deadline the customer must meet in order to have the lower-priced alternative in place by the date of implementation of the EAS.

The bill inserts shall be in the billing cycles that conclude one month before the EAS is implemented.

6. SCRTC shall submit its second notice (described in Ordering Paragraph #5) to Commission staff for approval at least 90 days before the implementation date of the service.
7. United Telephone, GTE - Minnesota, Frontier, Eckles Telephone Company, Bridge Water Telephone Company, US West Communications, and Scott-Rice Telephone Company shall file, for approval by Commission Staff, a notice for their metro calling area subscribers informing them of the implementation date of EAS to Big Lake. These companies' notices shall indicate that there is no rate increase for their subscribers due to the addition of Big Lake to the metro calling area.
8. The customer notices described in Ordering Paragraph #7 shall be filed with Commission staff at least 90 days before the implementation date of EAS between Big Lake and the MCA and shall be served on customers in the billing cycles that conclude one month before EAS is implemented.

9. Thirty days before implementation of EAS, all affected local telephone companies shall file tariff sheets reflecting prior Commission Orders which established the rates and terms for EAS in each of the exchanges affected by the installation of the EAS.
10. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

(S E A L)